



**Written Testimony of Representative Garey Bies
Assembly Committee on Energy and Utilities
Assembly Bill 309 – Storage of Spent Nuclear Fuel**

Good afternoon Chairperson Soletski and committee members, I appreciate the opportunity to submit my testimony in support of Assembly Bill 309, relating to the storage of spent nuclear fuel.

I have introduced this legislation on behalf of the Town of Carlton. The Town of Carlton first came to me when they learned that it was the intent of Dominion, the company that operates the Kewaunee nuclear power station, to store spent nuclear fuel onsite utilizing a dry storage system. The Town requested that I draft legislation that would require compensation be provided to a municipality that has a nuclear utility within its boundaries that stores spent nuclear fuel onsite using a dry cask storage system.

It should be noted that the Town's intent is to not have spent nuclear fuel stored within the boundaries of their municipality.

Assembly Bill 309 is very straight forward bill. The bill requires a public utility to pay a municipality \$250,000 a year and a county \$150,000 a year if it uses dry cask storage to store spent nuclear fuel. The utility must also pay the municipality \$40,000 per dry cask used to store spent nuclear fuel.

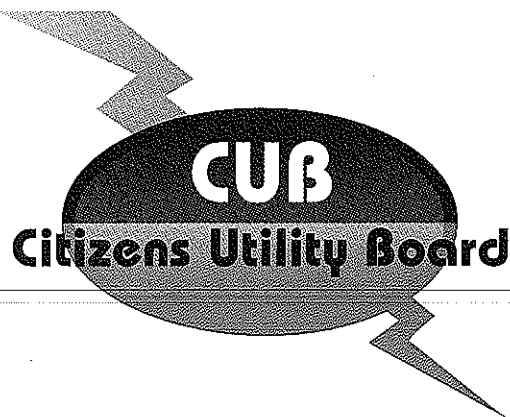
Granted, these dollar amounts are high, but the town believes it is just compensation for the storage of nuclear fuel within their municipality. It also should be noted that any and all payments to the municipality stop when the nuclear fuel is removed from the town.

I would also like to point out that the long term storage of spent nuclear fuel was to occur at the national repository known as Yucca Mountain. Billions of dollars have been spent on the construction of the Yucca Mountain repository and yet it remains unclear when, if ever, the repository will begin to receive the spent fuel. Companies have been paying into the Nuclear Waste Fund to pay for Yucca Mountain and seeing as how the Town of Carlton will now serve as Yucca Mountain for Dominion, it seems fitting that compensation be made.

In attendance today are many from communities that have a nuclear power plant within their boundaries. I hope you will listen to their testimony for more on how these nuclear power plants and the long-term storage of spent nuclear fuel will affect them.

Thank you for the opportunity to testify before you today and I respectfully request your support of SB 38 in committee.

First for Wisconsin!



September 15, 2009

The Honorable James Soletski
Chair, Assembly Committee on Energy and Utilities
Wisconsin State Capitol
Madison, Wisconsin 53708

Dear Chairman Soletski:

I would like to provide you with some of our concerns regarding AB 309, relating to dry cask storage of spent fuel from nuclear power plants and granting rule-making authority.

The Citizens Utility Board is a member-supported, nonprofit organization that advocates for reliable and affordable utility service. CUB represents the interests of residential, farm, and small business customers of electric, natural gas, and telecommunication utilities before the Legislature, regulatory agencies, and the courts.

AB 309 would require public utilities to pay a municipality \$250,000 for each year the utility uses dry cask storage for storing nuclear waste in the municipality. The utility must also pay \$40,000 annually to the municipality for each dry cask. In addition, the utility must pay a county \$150,000 each year dry casks are located in the county.

CUB is concerned that providing payments to municipalities and counties will encourage local governments to store nuclear waste, for which there is no safe method of disposal in the U.S. or any country. Since this proposal would allow local governments to benefit financially from storing nuclear waste, local governments may be more inclined to support the use of nuclear power, which remains one of the most expensive ways to generate electricity. In addition, nuclear waste from a nuclear power reactor remains deadly radioactive for hundreds of thousands of years. We believe it would not be good policy to provide local units of government with incentives that would make them more supportive of a technology which imposes excessive costs and risks to society.

AB 309 would also impose additional fees on electricity ratepayers that receive some of their electricity from nuclear reactors, including ratepayers of We Energies, Wisconsin Power & Light, Wisconsin Public Service Corp., and Xcel Energy. Nuclear power users already pay fees

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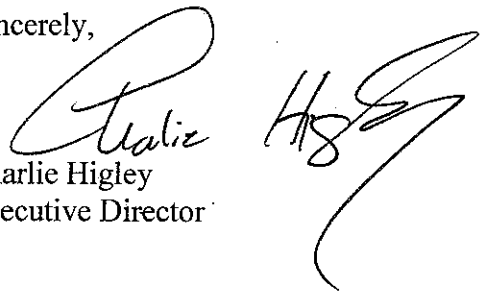
to the federal Nuclear Waste Fund for waste disposal.¹ Public utilities that must make the payments will include these costs in rates, or in their contracts for providing power, making electricity more expensive. Therefore, AB 309 would require ratepayers to pay additional money to cover the payments to local units of government.

President Barack Obama has said that the proposed high-level waste repository at Yucca Mountain in Nevada is no longer an option for disposing of nuclear waste. Thus, for more than half-a-century, the nuclear industry and the federal government have failed to find a solution for disposing of high level radioactive waste generated by nuclear power plants. As a result, nuclear plants in Wisconsin that continue creating nuclear waste have become disposal sites by default. However, these nuclear plants were never designed to provide long-term protection from the hazards of radioactive waste: their spent fuel pools and dry casks were not designed for long-term storage of nuclear waste. Given these risks, we believe it is unwise to create incentives to encourage local governments to host disposal sites for nuclear waste.

In summary, CUB believes that AB 309 would provide incentives for local governments to host disposal sites for nuclear waste, even though these incentives would increase electricity rates and create additional risks to the health and safety of the public.

Thank you for your consideration of these concerns.

Sincerely,


Charlie Higley
Executive Director

¹ People who use nuclear power pay 0.1 cents per kilowatt hour to the Nuclear Waste Fund. According to the Public Service Commission of Wisconsin, as of September 30, 2008, Wisconsin ratepayers have paid about \$400 million into the fund, and that amount has accumulated interest of about \$294 million, for a total of \$694 million.

15 September 2009

Good afternoon -- My name is Thomas P Sheley and I live in the Town of Two Creeks Wisconsin (12211 Lakeshore Road, Two Rivers Wisconsin 54241).

In May 2008, I retired from employment after 38 years within the Operations department at the Point Beach Nuclear Plant (Reactor Operator for 6 years, Control Room Supervisor for 8 years, Shift Manager for 13 years and finally 11 years as Operations Corrective action / Operating Experience Supervisor).

I understand the hazards of fissionable material and resulting nuclear waste, in that I have been personally involved with the receiving, utilization and eventual temporary storage of fuel elements used at the Point Beach power plant.

Over the years I have followed the governments' efforts at trying to establish a permanent national repository for spent fuel in the Nevada desert along with the resistance presented by the citizens of that great state -- "Not in my backyard".

I have watched the public utility of WE Energies and now the current private owner Nextera Energy as they have fretted over the situation of the lack of a national reprocessing facility and or short / long term storage option.

Point Beach was designed to provide an energy resource for our state. That original approved US Atomic Energy Commission design included a reduction in risk to those living in the area by having the spent fuel removed and reprocessed (FYI about 96% of the material within a fuel assembly is recyclable). SO --- With that original design feature not being applied; every year an unanticipated risk potential has increased with the stockpiling of high level waste that politically "no one wants in their backyard", yet the residents of our section of the state are required to put up with.

I strongly encourage the passage of AB 309 (Dry Fuel Storage Bill) to compensate those residents that today and tomorrow are expected to have to put up with the ever increasing risk in their back yard.

I do not consider this bill request to be a precedent setting issue in as much as the design and promises of the 1960's to the town residents and public service commission has not been fulfilled or properly amended.

Thank You

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